BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding the Implementation of the Suspension of Direct Access Pursuant to Assembly Bill 1X and Decision 01-09-060.

Rulemaking 02-01-011 (Filed January 9, 2002)

ADMINISTRATIVE LAW JUDGE'S RULING REGARDING PROCESS TO DEVELOP MUNICIPAL DEPARTING LOAD (MDL) BILLING AND COLLECTION

By this ruling, comments are solicited concerning issues relating to the process of billing, collecting, and accounting for cost responsibility surcharge (CRS) revenues imposed on MDL customers pursuant to Decision (D.) 03-07-028.

In D.03-07-028, the California Public Utilities Commission (CPUC) authorized CRS to be imposed on MDL customers to be incorporated as part of the investor-owned utilities' (IOU) tariffs. As prescribed in D.03-07-028, the surcharges will be calculated, billed, and collected as a function of IOU tariffs. The Commission deferred to a separate order the specific details by which the billing, collection and accounting process will be implemented.

D.03-07-028 directed that: "The Administrative Law Judge shall issue a procedural ruling initiating further procedural measures necessary to integrate MDL into the DA CRS modeling process and to implement the tariff filing, billing, collection, and accounting for the MDL CRS." (D.03-07-028 at p. 20.) In accordance with that directive, the instant ruling is issued. Pursuant to this ruling, parties are authorized to file comments regarding appropriate procedures and approaches to integrate MDL into the DA CRS modeling process, and to

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implement the tariff filing, billing, collection, and accounting for the MDL CRS. Comments should address both substantive proposals concerning applicable measures necessary to implement the CPUC order, as well as procedural proposals, as deemed necessary, for a complete record in this matter. Following receipt of comments, further assessment will be made concerning the need for further development of the record on these issues, including the possible need for workshops, and/or substantive measures to be implemented.

In a letter dated March 17, 2004, to the assigned commissioners and administrative law judge in this proceeding, counsel for the California Municipal Utilities Association (CMUA) noted that Pacific Gas & Electric Company (PG&E) has submitted for filing Advice Letter 2483-E, which seeks CPUC approval of PG&E's plan to bill "New Municipal Load." CMUA, in its letter, requests that the CPUC issue a ruling setting a schedule to address outstanding billing, collection, and allocation exemption issues relating to MDL CRS and require PG&E to withdraw Advice Letter 2483-E, and resubmit it after outstanding issues are resolved.

The comments solicited pursuant to this ruling should address the concerns raised by CMUA. No action will be taken on PG&E's currently submitted Advice Letter 2483-E pending review and receipt of comments filed in response to this ruling and resolution of relevant issues. Following receipt of comments, further direction will be provided concerning development of a process for the proper filing of advice letters to implement MDL CRS billing and collection.

IT IS RULED that:

1. Opening comments on the issues outline above shall be due on April 9, 2004, and reply comments shall be due on April 23, 2004.

R.02-01-011 TRP/sid

2. No action will be taken on Pacific Gas and Electric Company's currently submitted Advice Letter 2483-E pending review and receipt of comments in response to this ruling and resolution of relevant issues.

Dated March 19, 2004, at San Francisco, California.

/s/ THOMAS R. PULSIFER
Thomas R. Pulsifer
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Regarding Process to Develop Municipal Departing Load (MDL) Billing and Collection on all parties of record in this proceeding or their attorneys of record. In addition, service was also performed by electronic mail.

Dated March 19, 2004, at San Francisco, California.

/s/ FANNIE SID
Fannie Sid

NOTICE

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.